

Senate Bill 239, Sub. 4

1. USTAR - Current Budget

Total Budget	\$26.1 million
Research Capacity Building	\$6.75 million
Salaries	\$6.5 million
Nonlapsing balance	\$0.25 million
Grant Programs	\$9.2 million
Support Programs	\$3.3 million
USTAR Administration	\$2.2 million
General Fund and Nonlapsing Balances	\$1.8 million
Dedicated Credits Revenue	\$0.4 million

2. USTAR - Proposed Restructuring

Research Capacity Building -

Salaries

Appropriate \$2.0 mil ongoing, with sunset in 10 years, to the University of Utah for salaries

Appropriate \$2.0 mil one-time (to be spent over two years), to the U of U for salaries

Appropriate \$1.0 mil ongoing, with a sunset in 10 years, to Utah State University for salaries

Appropriate \$1.0 mil one-time (to be spent over two years), to USU for salaries

Appropriate remaining balance of \$3.5 mil ongoing beginning in FY 2020 to Workforce Development Restricted Account; due to one-time appropriations to the universities, appropriate \$0.5 mil one-time in FY 2019.

Include language in statute directing the universities to report to BEDL Subcommittee annually on performance outcomes, expenditures, and attrition rates. Any savings due to attrition will be transferred to the Workforce Development Restricted Account.

Nonlapsing Balance

Transfer nonlapsing balance of \$250,000 to the Workforce Development Restricted Account

Buildings

Give buildings (one for USU, one for UoU) to the universities

Grant Programs -

Grants

Replace ongoing grant funding with one-time money (\$9.2 million), with the understanding that USTAR will not award any additional grants. At the end of FY19, transfer any remaining funds to the Workforce Development Restricted Account (expected savings of approx. \$2.9 million one-time).

USTAR and GOED present to BEDL Subcommittee on merits of grants programs with areas of overlap between the two agencies. The Subcommittee would like to understand where there is potential redundancy with other similar programs and attempt to consolidate resources and programs.

Support Programs

Leave funding as ongoing to give the BEDL Appropriations Subcommittee time to deliberate on this issue. The Subcommittee would like to understand where there is potential redundancy with other similar programs and attempt to consolidate resources and programs.

USTAR Administration

Leave funding as ongoing to give the BEDL Appropriations Subcommittee time to deliberate on this issue. The Subcommittee would like to understand where there is potential redundancy with other similar programs and attempt to consolidate resources and programs.

3. Other Agencies - Proposed Restructuring

GOED Grant Programs (TCIP) -

Replace ongoing TCIP grant funding with one-time money (\$2.5 million), with the understanding that GOED will not award any additional grants. At the end of FY19, transfer any remaining funds to the Workforce Development Restricted Account.

USTAR and GOED present to BEDL Subcommittee on merits of grants programs with areas of overlap between the two agencies. The Subcommittee would like to understand where there is potential redundancy with other similar programs and attempt to consolidate resources and programs.

University of Utah

Receives \$2.0 mil ongoing for USTAR researcher salaries, with a sunset in 10 years.

Receives \$2.0 mil one-time in FY 2019 for USTAR researcher salaries.

Reduces General Fund budget by \$2.3 million one-time in FY 2019. This represents the total of funds in the \$4.0 mil PTIF account set aside for university-specific projects (as opposed to the \$1.7 mil set aside in the PTIF account for USTAR researchers). Transfer this funding to the Workforce Development Restricted Account.

Transfer ownership of one USTAR building to the University of Utah.

Utah State University

Receives \$1.0 mil ongoing for USTAR researcher salaries, with a sunset in 10 years.

Receives \$1.0 mil one-time in FY 2019 for USTAR researcher salaries.

Transfer ownership of one USTAR building to the Utah State University.

Department of Commerce

Creation of the Workforce Development Restricted Account, which holds the total initial savings and total ongoing savings from the restructuring of USTAR and GOED.

4. Total Initial Re-direct into Restricted Account: \$3,076,300

\$250,000 one-time appropriated to restricted account from university salary (Research Capacity Building) nonlapsing balances

\$.05 million one-time appropriated to restricted account university salary (Research Capacity Building) line item

\$2.3 million one-time appropriated to restricted account from University of Utah-USTAR PTIF account. These are the funds in the PTIF account that are tied to university projects, and not tied to specific USTAR researchers. This transfer is recognized not by removing funds from the PTIF account, but by a reduction in the General Fund budget to the university.

5. Other Funds: \$17.8 million ongoing

\$3.5 million ongoing appropriated to restricted account from university salary (Research Capacity Building) line item

The following savings are dependent on discussion and recommendations from the BEDL Appropriations Subcommittee during the 2018 Interim:

\$9.2 million ongoing appropriated to restricted account from grant programs.

\$5.1 million ongoing appropriated to restricted account from support programs and administrative functions

Unknown savings from similar programs (TCIP, Business Development Centers, etc.) from other agencies.